**New pharmaceutical policy**

†434. SHRI RAM JETHMALANI:
DR. MURLI MANOHAR JOSHI:

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government have taken a decision to formulate a new policy to keep a check on the prices of medicines in the country;

(b) if so, the reasons therefor;

(c) the details of the discrepancies which have been removed from the earlier Drug Control Policy and the new benefits included in the new policy; and

(d) by when the new policy is proposed to be finally announced?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI B.K. HANDIQUE): (a) and (b) There is a proposal to formulate a National Pharmaceutical Policy, 2006. The Draft Policy *inter-alia* aims at checking the prices of essential medicines included in the National List of Essential Medicines, 2003 and formulations based on 74 bulk drugs under the DPCO 1995.

(c) The following new elements are proposed:

(i) Bulk drug pricing to be based on the rates intimated by bulk drug manufacturing companies.

(ii) To give thrust to R&D in drug industry by allowing 50% additional Maximum Allowable Post Expenses (MAPE) for R&D intensive companies which fulfil the laid down gold standards.

(iii) For formulations based on existing 74 bulk drugs under price control of DPCO 1995, MAPE would continue to remain at 100% for one year and their prices would also be frozen for a period of one year.

(d) The Government expects to finalize National Pharmaceutical Policy, 2006 very shortly.

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†Originai notice of the question was received in Hindi.